

Notice

New Fee on Cigarette and Cigarette Tobacco Products

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New Fee on Cigarettes and Cigarette Tobacco Products Manufactured by Certain Companies

Effective Sept. 1, 2013, a new law imposes a fee on cigarettes and cigarette tobacco products manufactured by companies that did not originally participate in a Settlement Agreement with the State of Texas or in the Master Settlement Agreement, including Non-Settling Manufacturers (NSM) and Subsequent Participating Manufacturers (SPM). Report the new fee and remit to the Comptroller on the September 2013 report, which is due **Oct. 31, 2013**.

Cigarette and tobacco distributors are now required to collect a fee of 2.75 cents per cigarette stick or 0.09 ounces of cigarette tobacco product manufactured by an NSM or SPM. Lists of NSMs and SPMs are on our website at http://www.window.state.tx.us/taxinfo/cig_tob/cigarette_fee.html. The lists contain the Manufacturer ID and the Brand ID numbers. The lists will be updated on a monthly basis.

Cigarette distributors are allowed an additional 0.5 percent cigarette stamping allowance, for a total allowance of 3 percent of all cigarette stamps purchased, when the fee is paid and reported on the monthly stamping reports.

The agency amended the cigarette distributor report (Form 69-100) to reflect these changes. Calculate the additional 0.5 percent (.005) stamping allowance in Item 25. Report the new fee in Item 26.

The agency also amended the tobacco distributor reports (Forms 69-133 and 69-134) to allow payment of the new fee. Calculate the new fee in Items 5d and 6d on Form 69-134 and report it in Item 14 on Form 69-133.

The law increases the fee each year, and the agency will publish the new fee rate online every January with an effective date of Feb. 1.

New Electronic Reporting Required

In addition to paper reports (Forms 69-100 and/or 69-133 and 69-134 along with appropriate documentation), distributors must file a **new electronic report**.

The new electronic report is located on the Retailer Inventory Tracking System (RITS) already used to report tobacco sales. Upload the file for the new electronic report in the same manner as when reporting tobacco sales.

The table below contains the list of required data elements, maximum field length, field type and definition of each data element for the file. This format is for Cigarette and Tobacco Distributors and reports both total sales and exempt sales of products from NSMs and SPMs.

Data Element	Field Length	Field Type	Definition
Distributor Permit Number	8	Character	The unique permit number granted by the Comptroller's office to the distributor location
Manufacturer ID Number	4	Numeric	The unique number assigned by the Texas Department of Insurance or the federal government
Brand ID Number	4	Numeric	The unique 4-digit number assigned to a brand by the Comptroller's office
Number of 20 Packs Stamped	11	Numeric	Number of 20-count cigarette packs stamped from NSMs or SPMs (whole numbers, no commas)
Number of 25 Packs Stamped	11	Numeric	Number of 25-count cigarette packs stamped from NSMs or SPMs (whole numbers, no commas)
Number of 20 Packs Exempt	11	Numeric	Number of 20-count cigarette packs exempted from stamping and fee (whole numbers, no commas)
Number of 25 Packs Exempt	11	Numeric	Number of 25-count cigarette packs exempted from stamping and fee (whole numbers, no commas)
RYO Weight Sold	11	Numeric	Total weight in ounces of RYO Tobacco from NSMs or SPMs (a decimal point and two places are required, no commas)
RYO Weight Exempt	11	Numeric	Total weight in ounces of RYO from NSMs or SPMs exempted from tax and fee (a decimal point and two places are required, no commas)

For more information about the new law, see House Bill 3536, 83rd Legislative Session.